

## **Basic Financial Statements**



## **Government-wide Financial Statements**



# State of Washington

## Statement of Net Assets

June 30, 2002

(expressed in thousands)

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component units
<b>ASSETS</b>				
Cash and pooled investments	\$ 3,817,503	\$ 2,895,638	\$ 6,713,141	\$ 43,253
Taxes receivable (net of allowance)	2,435,837	4,101	2,439,938	-
Other receivables (net of allowance)	458,064	896,444	1,354,508	3,001
Internal balances (net)	17,715	(17,715)	-	-
Due from other governments	1,943,015	96,637	2,039,652	-
Inventories	74,210	67,662	141,872	-
Investments, noncurrent	2,795,920	9,383,020	12,178,940	16,216
Other assets	139,751	78,890	218,641	15,488
Capital assets (Note 6):				
Non-depreciable assets	13,402,912	324,962	13,727,874	420,035
Depreciable assets, net of depreciation	5,553,690	789,740	6,343,430	70,234
Total capital assets, net of depreciation	18,956,602	1,114,702	20,071,304	490,269
<b>Total Assets</b>	30,638,617	14,519,379	45,157,996	568,227
<b>LIABILITIES</b>				
Accounts payable	875,171	102,054	977,225	1,353
Contracts and retainage payable	66,845	26,281	93,126	19,190
Accrued liabilities	390,636	228,005	618,641	146
Obligations under securities lending	850,522	830,357	1,680,879	-
Due to other governments	690,181	3,248	693,429	-
Deferred revenue	131,335	44,058	175,393	191
Long-term liabilities (Note 7):				
Due within one year	684,429	1,561,163	2,245,592	-
Due in more than one year	8,806,654	14,898,684	23,705,338	39,073
<b>Total Liabilities</b>	12,495,773	17,693,850	30,189,623	59,953
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	8,253,041	355,099	8,608,140	436,045
Restricted for:				
Unemployment compensation	-	1,883,659	1,883,659	-
Other purposes	126,755	-	126,755	14,939
Capital projects	172,671	-	172,671	-
Expendable permanent fund principal	575,999	-	575,999	-
Nonexpendable permanent endowments	1,277,718	-	1,277,718	-
Unrestricted (deficit)	7,736,660	(5,413,229)	2,323,431	57,290
<b>Total Net Assets</b>	\$ 18,142,844	\$ (3,174,471)	\$ 14,968,373	\$ 508,274

The notes to the financial statements are an integral part of this statement.

## State of Washington Statement of Activities

For the Fiscal Year Ended June 30, 2002  
(expressed in thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 997,323	\$ 439,379	\$ 211,725	\$ 12,506
Education--elementary and secondary (K-12)	5,747,105	6,345	516,188	-
Education--higher education	3,920,238	986,369	1,027,898	7,002
Human services	8,903,527	523,313	4,704,368	-
Adult corrections	600,331	12,960	6,260	5,379
Natural resources and recreation	563,687	361,866	121,626	16,876
Transportation	1,263,740	576,129	44,101	507,828
Intergovernmental-grants	349,620	-	-	-
Interest on long term debt	578,339	-	-	-
Total governmental activities	22,923,910	2,906,361	6,632,166	549,591
Business-type Activities:				
Workers' compensation	2,146,567	1,069,592	7,432	-
Unemployment compensation	1,871,784	1,161,009	248,395	-
Health insurance programs	809,910	823,482	-	-
Higher education student services	994,047	982,200	12,870	-
Other	923,783	950,334	79	-
Total business-type activities	6,746,091	4,986,617	268,776	-
Total Primary Government	\$ 29,670,001	\$ 7,892,978	\$ 6,900,942	\$ 549,591
Total Component Units	\$ 11,311	\$ 10,054	\$ 55,297	\$ -

### General revenues:

Taxes - sales and use taxes

Taxes - business and occupation taxes

Taxes - property

Taxes - other

Contributions to endowments

Interest and investment earnings

Total general revenues

Excess (deficiency) of revenues over expenses before transfers

Transfers

Change in net assets

Net assets -- beginning

Net assets -- ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Units
Governmental Activities	Business-type Activities	Total	
\$ (333,713)	\$ -	\$ (333,713)	
(5,224,572)	-	(5,224,572)	
(1,898,969)	-	(1,898,969)	
(3,675,846)	-	(3,675,846)	
(575,732)	-	(575,732)	
(63,319)	-	(63,319)	
(135,682)	-	(135,682)	
(349,620)	-	(349,620)	
(578,339)	-	(578,339)	
(12,835,792)	-	(12,835,792)	
-	(1,069,543)	(1,069,543)	
-	(462,380)	(462,380)	
-	13,572	13,572	
-	1,023	1,023	
-	26,630	26,630	
-	(1,490,698)	(1,490,698)	
(12,835,792)	(1,490,698)	(14,326,490)	
			\$ 54,040
5,879,288	-	5,879,288	1,264
1,934,013	-	1,934,013	-
1,426,242	-	1,426,242	-
2,790,789	82,703	2,873,492	-
29,309	-	29,309	-
189,260	613,213	802,473	3,470
12,248,901	695,916	12,944,817	4,734
(586,891)	(794,782)	(1,381,673)	58,774
147,826	(147,826)	-	-
(439,065)	(942,608)	(1,381,673)	58,774
18,581,909	(2,231,863)	16,350,046	449,500
\$ 18,142,844	\$ (3,174,471)	\$ 14,968,373	\$ 508,274





## **Fund Financial Statements**

## GOVERNMENTAL FUNDS Balance Sheet

June 30, 2002

(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
<b>Assets:</b>					
Cash and pooled investments	\$ 355,538	\$ 50,675	\$ 238,587	\$ 3,049,781	\$ 3,694,581
Investments	-	755,032	1,807,740	199,395	2,762,167
Taxes receivable (net of allowance)	2,348,486	-	-	87,351	2,435,837
Other receivables (net of allowance)	216,462	120,132	31,580	225,229	593,403
Due from other funds	665,164	81,728	10	335,091	1,081,993
Due from other governments	710,243	84,111	-	1,109,175	1,903,529
Inventories	18,682	8,023	-	28,448	55,153
<b>Total Assets</b>	<b>\$ 4,314,575</b>	<b>\$ 1,099,701</b>	<b>\$ 2,077,917</b>	<b>\$ 5,034,470</b>	<b>\$ 12,526,663</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 627,181	\$ 32,567	\$ -	\$ 184,359	\$ 844,107
Contracts and retainages payable	11,054	464	1,484	53,021	66,023
Accrued liabilities	112,228	124,355	11,105	70,506	318,194
Obligations under security lending agreements	244,455	99,272	191,884	312,818	848,429
Due to other funds	694,731	20,919	174,041	689,000	1,578,691
Due to other governments	74,009	15,908	-	79,604	169,521
Deferred revenues	1,198,682	110,228	9,236	235,826	1,553,972
Claims and judgments payable, current	14,677	-	-	1,059	15,736
<b>Total Liabilities</b>	<b>2,977,017</b>	<b>403,713</b>	<b>387,750</b>	<b>1,626,193</b>	<b>5,394,673</b>
<b>Fund Balances:</b>					
Reserved for:					
Encumbrances	38,881	128,812	-	641,639	809,332
Inventories	14,913	8,023	-	28,448	51,384
Permanent funds	-	-	1,690,167	163,550	1,853,717
Other specific purposes	37,237	118,273	-	1,095,815	1,251,325
Unreserved, designated for:					
Working capital	848,153	-	-	-	848,153
Unrealized gains	-	328	-	2,015	2,343
Debt service	-	-	-	101,557	101,557
Other specific purposes	-	155,679	-	137	155,816
Unreserved, undesignated	398,374	284,873	-	-	683,247
Unreserved, undesignated reported in nonmajor:					
Special Revenue Funds	-	-	-	1,343,467	1,343,467
Capital Projects Funds	-	-	-	31,649	31,649
<b>Total Fund Balances</b>	<b>1,337,558</b>	<b>695,988</b>	<b>1,690,167</b>	<b>3,408,277</b>	<b>7,131,990</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 4,314,575</b>	<b>\$ 1,099,701</b>	<b>\$ 2,077,917</b>	<b>\$ 5,034,470</b>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	18,643,417
Some of the State's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and, therefore, are deferred in the funds.	1,423,077
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	(37,213)
Long-term liabilities, including bonds payable and interest, are not due and payable in the current period and, therefore, not reported in the funds.	(9,018,427)

Net assets of governmental activities \$ 18,142,844

The notes to the financial statements are an integral part of this statement.

# GOVERNMENTAL FUNDS

## Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2002  
(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
<b>Revenues:</b>					
Retail sales and use taxes	\$ 5,843,202	\$ -	\$ -	\$ 36,087	\$ 5,879,289
Business and occupation taxes	1,889,325	-	-	44,687	1,934,012
Property taxes	1,293,130	-	-	133,112	1,426,242
Excise taxes	431,073	-	-	70,725	501,798
Motor vehicle and fuel taxes	-	-	-	742,699	742,699
Other taxes	885,437	-	-	544,965	1,430,402
Licenses, permits, and fees	75,478	481	-	536,353	612,312
Timber sales	3,646	-	9,071	92,308	105,025
Other contracts and grants	217,351	376,653	-	17,825	611,829
Federal grants-in-aid	5,130,946	659,125	-	784,224	6,574,295
Charges for services	35,060	848,106	-	386,746	1,269,912
Investment income	19,628	32,941	5,211	131,405	189,185
Miscellaneous revenue	81,709	69,057	4,126	591,069	745,961
Contribution and donations	-	-	36,611	-	36,611
<b>Total Revenues</b>	<b>15,905,985</b>	<b>1,986,363</b>	<b>55,019</b>	<b>4,112,205</b>	<b>22,059,572</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	526,599	-	-	343,535	870,134
Human services	8,303,812	-	-	1,035,253	9,339,065
Natural resources and recreation	262,934	-	-	377,058	639,992
Transportation	28,628	630	-	1,253,840	1,283,098
Education	6,777,776	1,776,133	-	447,854	9,001,763
<b>Intergovernmental</b>	<b>23,103</b>	<b>-</b>	<b>-</b>	<b>326,517</b>	<b>349,620</b>
<b>Capital outlays</b>	<b>57,470</b>	<b>74,070</b>	<b>-</b>	<b>1,074,060</b>	<b>1,205,600</b>
<b>Debt service:</b>					
Principal	10,525	6,446	-	411,946	428,917
Interest	1,640	4,060	-	395,865	401,565
<b>Total Expenditures</b>	<b>15,992,487</b>	<b>1,861,339</b>	<b>-</b>	<b>5,665,928</b>	<b>23,519,754</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(86,502)</b>	<b>125,024</b>	<b>55,019</b>	<b>(1,553,723)</b>	<b>(1,460,182)</b>
<b>Other Financing Sources (Uses):</b>					
Bonds issued	-	-	-	929,495	929,495
Refunding bonds issued	-	-	-	87,975	87,975
Payment to refunded bond escrow agent	-	-	-	(92,003)	(92,003)
Notes issued	7,039	2,298	-	605	9,942
Bond issue premium (discount)	-	-	-	12,268	12,268
Transfers in	675,759	148,964	208,318	1,725,310	2,758,351
Transfers (out)	(740,324)	(365,074)	(92,199)	(1,416,078)	(2,613,675)
<b>Total Other Financing Sources (Uses)</b>	<b>(57,526)</b>	<b>(213,812)</b>	<b>116,119</b>	<b>1,247,572</b>	<b>1,092,353</b>
<b>Net change in fund balances</b>	<b>(144,028)</b>	<b>(88,788)</b>	<b>171,138</b>	<b>(306,151)</b>	<b>(367,829)</b>
<b>Fund Balances - Beginning, as restated</b>	<b>1,481,586</b>	<b>784,776</b>	<b>1,519,029</b>	<b>3,714,428</b>	<b>7,499,819</b>
<b>Fund Balances - Ending</b>	<b>\$ 1,337,558</b>	<b>\$ 695,988</b>	<b>\$ 1,690,167</b>	<b>\$ 3,408,277</b>	<b>\$ 7,131,990</b>

The notes to the financial statements are an integral part of this statement.

# State of Washington

## Reconciliation of Statement of Revenues, Expenditures and Change in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended June 30, 2002

(expressed in thousands)

Net change in fund balances--total governmental funds \$ (367,829)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	964,967	
Depreciation expense	(412,304)	
Excess of capital outlay over depreciation expense		552,663

Bond proceeds provide current financial resources to governmental funds, however, issuing debt increases long-term liabilities in the statement of net assets. In the current period, proceeds were received from:

Bonds and bond anticipation notes issued	(929,495)	
Refunding bonds issued	(87,975)	
Total bond proceeds		(1,017,470)

Some capital additions were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net assets, the lease obligation is reported as a liability.

(22,850)

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:

Bond principal retirement	428,917	
Capital lease payments	5,468	
Payments to the bond refunding agent	92,003	
Total long-term debt repayment		526,388

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.

(119,282)

Because some revenues will not be collected for several months after the State's fiscal year ends, they are not considered "available" revenues in the governmental funds. Deferred revenues increased by this amount this year.

246,869

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Net increase in accrued interest	(178,417)	
Interest accreted on capital appreciation debt	9,214	
Increase in miscellaneous liabilities	(35,109)	
Increase in compensated absences	(21,711)	
Increase in claims and judgments	(11,531)	
Total additional expenditures		(237,554)

Change in net assets of governmental activities		\$ (439,065)
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The notes to the financial statements are an integral part of this statement.

## PROPRIETARY FUNDS

### Statement of Fund Net Assets

June 30, 2002

(expressed in thousands)

(expressed in thousands)	Business-Type Activities Enterprise Funds			Governmental Activities	
	Workers' Compensation	Unemployment Compensation	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>Assets</b>					
<b>Current Assets:</b>					
Cash and pooled investments	\$ 3,316	\$ 1,495,373	\$ 494,245	\$ 1,992,934	\$ 117,018
Investments	817,368	-	85,337	902,705	2,202
Taxes receivable (net of allowance)	-	-	4,101	4,101	-
Other receivables (net of allowance)	424,093	342,367	129,984	896,444	2,522
Due from other funds	1,365	4,249	41,599	47,213	53,396
Due from other governments	449	45,954	49,950	96,353	6,112
Inventories	193	-	67,468	67,661	19,056
Prepaid expenses	1	-	7,699	7,700	1,893
<b>Total Current Assets</b>	<b>1,246,785</b>	<b>1,887,943</b>	<b>880,383</b>	<b>4,015,111</b>	<b>202,199</b>
<b>Noncurrent Assets:</b>					
Investments, noncurrent	8,535,515	-	847,504	9,383,019	37,457
Other noncurrent assets	-	-	71,192	71,192	-
<b>Capital Assets:</b>					
Land	3,240	-	21,014	24,254	1,458
Buildings	62,446	-	968,945	1,031,391	69,116
Other improvements and miscellaneous	1,288	-	59,592	60,880	23,727
Furnishings and equipment	25,838	-	259,722	285,560	526,668
Accumulated depreciation	(31,687)	-	(556,404)	(588,091)	(314,171)
Construction in progress	-	-	300,708	300,708	6,386
<b>Total Noncurrent Assets</b>	<b>8,596,640</b>	<b>-</b>	<b>1,972,273</b>	<b>10,568,913</b>	<b>350,641</b>
<b>Total Assets</b>	<b>\$ 9,843,425</b>	<b>\$ 1,887,943</b>	<b>\$ 2,852,656</b>	<b>\$ 14,584,024</b>	<b>\$ 552,840</b>
<b>Liabilities</b>					
<b>Current Liabilities:</b>					
Accounts payable	\$ 5,090	\$ -	\$ 96,964	\$ 102,054	\$ 31,065
Contracts and retainages payable	2,054	-	24,226	26,280	815
Accrued liabilities	122,434	-	168,294	290,728	16,651
Obligations under security lending agreements	817,368	-	12,989	830,357	2,095
Bonds and notes payable	2,581	-	54,670	57,251	5,470
Due to other funds	4,315	3	61,027	65,345	28,019
Due to other governments	-	34	2,514	2,548	219
Deferred revenues	15,368	-	28,690	44,058	440
Claims and judgments payable, current	1,357,766	-	47,980	1,405,746	68,049
<b>Total Current Liabilities</b>	<b>2,326,976</b>	<b>37</b>	<b>497,354</b>	<b>2,824,367</b>	<b>152,823</b>
<b>Non-Current Liabilities:</b>					
Claims and judgments payable, long-term	13,525,333	-	2,016	13,527,349	366,861
Bonds and notes payable	45,496	-	656,858	702,354	54,215
Other long-term liabilities	10,105	-	694,320	704,425	16,154
<b>Total Non-Current Liabilities</b>	<b>13,580,934</b>	<b>-</b>	<b>1,353,194</b>	<b>14,934,128</b>	<b>437,230</b>
<b>Total Liabilities</b>	<b>15,907,910</b>	<b>37</b>	<b>1,850,548</b>	<b>17,758,495</b>	<b>590,053</b>
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	13,048	-	356,858	369,906	253,500
Restricted for:					
Unemployment compensation	-	1,887,906	-	1,887,906	-
Unrestricted	(6,077,533)	-	645,250	(5,432,283)	(290,713)
<b>Total Net (Deficit) Assets</b>	<b>\$ (6,064,485)</b>	<b>\$ 1,887,906</b>	<b>\$ 1,002,108</b>	<b>\$ (3,174,471)</b>	<b>\$ (37,213)</b>

The notes to the financial statements are an integral part of this statement.

# PROPRIETARY FUNDS

## Statement of Revenues, Expenses, and Changes in Fund Net Assets

For the Fiscal Year Ended June 30, 2002  
(expressed in thousands)

	Business-Type Activities Enterprise Funds				Governmental Activities Internal Service Funds
	Workers' Compensation	Unemployment Compensation	Nonmajor Enterprise Funds	Total	
<b>Operating Revenues:</b>					
Sales	\$ -	\$ -	\$ 507,420	\$ 507,420	\$ 128,461
Less: Cost of goods sold	-	-	355,787	355,787	112,391
Gross profit	-	-	151,633	151,633	16,070
Charges for services	37	-	875,336	875,373	497,420
Premiums and assessments	1,042,909	972,849	823,441	2,839,199	69,505
Lottery ticket proceeds	-	-	438,600	438,600	-
Miscellaneous revenue	26,944	188,160	88,244	303,348	25,781
<b>Total Operating Revenues</b>	<b>1,069,890</b>	<b>1,161,009</b>	<b>2,377,254</b>	<b>4,608,153</b>	<b>608,776</b>
<b>Operating Expenses:</b>					
Salaries and wages	106,964	-	453,440	560,404	205,989
Employee benefits	25,169	-	79,933	105,102	44,862
Personal services	2,507	-	38,650	41,157	17,485
Goods and services	60,783	-	447,410	508,193	248,650
Travel	2,828	-	14,950	17,778	3,056
Premiums and claims	1,939,151	1,871,783	786,548	4,597,482	167,383
Lottery prize payments	-	-	282,246	282,246	-
Depreciation and amortization	970	-	52,563	53,533	53,498
Miscellaneous expenses	5,538	-	110,650	116,188	10,397
<b>Total Operating Expenses</b>	<b>2,143,910</b>	<b>1,871,783</b>	<b>2,266,390</b>	<b>6,282,083</b>	<b>751,320</b>
<b>Operating Income (Loss)</b>	<b>(1,074,020)</b>	<b>(710,774)</b>	<b>110,864</b>	<b>(1,673,930)</b>	<b>(142,544)</b>
<b>Nonoperating Revenues (Expenses):</b>					
Earnings (loss) on investments	435,356	112,794	65,063	613,213	2,582
Interest expense	(2,657)	-	(76,529)	(79,186)	(3,030)
Distributions to other governments	-	-	(29,033)	(29,033)	-
Other revenue (expenses)	7,134	248,395	118,625	374,154	4,711
<b>Total Nonoperating Revenues (Expenses)</b>	<b>439,833</b>	<b>361,189</b>	<b>78,126</b>	<b>879,148</b>	<b>4,263</b>
<b>Income (Loss) Before Contributions and Transfers</b>	<b>(634,187)</b>	<b>(349,585)</b>	<b>188,990</b>	<b>(794,782)</b>	<b>(138,281)</b>
Capital Contributions	-	-	-	-	3,488
Transfers in	235,340	-	153,992	389,332	34,709
Transfers (out)	(239,462)	-	(297,696)	(537,158)	(19,198)
<b>Net Contributions and Transfers</b>	<b>(4,122)</b>	<b>-</b>	<b>(143,704)</b>	<b>(147,826)</b>	<b>18,999</b>
<b>Change in Net Assets</b>	<b>(638,309)</b>	<b>(349,585)</b>	<b>45,286</b>	<b>(942,608)</b>	<b>(119,282)</b>
<b>Net Assets - Beginning, as restated</b>	<b>(5,426,176)</b>	<b>2,237,491</b>	<b>956,822</b>	<b>(2,231,863)</b>	<b>82,069</b>
<b>Net Assets - Ending</b>	<b>\$ (6,064,485)</b>	<b>\$ 1,887,906</b>	<b>\$ 1,002,108</b>	<b>\$ (3,174,471)</b>	<b>\$ (37,213)</b>

The notes to the financial statements are an integral part of this statement.

## PROPRIETARY FUNDS

### Statement of Cash Flows

Continued

For the Fiscal Year Ended June 30, 2002  
(expressed in thousands)

	Business-Type Activities Enterprise Funds			Total	Governmental Activities
	Workers' Compensation	Unemployment Compensation	Nonmajor Enterprise Funds		Internal Service Funds
<b>Cash Flows from Operating Activities:</b>					
Receipts from customers	\$ 1,056,314	\$ 947,817	\$ 2,635,398	\$ 4,639,529	\$ 697,898
Payments to suppliers	(1,394,495)	(1,881,650)	(2,001,784)	(5,277,929)	(427,172)
Payments to employees	(131,786)	-	(528,505)	(660,291)	(250,763)
Other receipts (payments)	26,945	188,160	88,245	303,350	25,780
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(443,022)</b>	<b>(745,673)</b>	<b>193,354</b>	<b>(995,341)</b>	<b>45,743</b>
<b>Cash Flows from Noncapital Financing Activities:</b>					
Transfers in	235,340	-	153,992	389,332	34,709
Transfers out	(239,462)	-	(297,696)	(537,158)	(19,198)
Operating grants and donations received	7,952	223,924	10,256	242,132	52
Taxes and license fees collected	6	-	101,370	101,376	-
Distributions to other governments	-	-	(29,033)	(29,033)	-
Other noncapital financing activity	4	-	220	224	(104)
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>3,840</b>	<b>223,924</b>	<b>(60,891)</b>	<b>166,873</b>	<b>15,459</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Interest paid	(2,656)	-	(35,264)	(37,920)	(3,074)
Principal payments on long-term capital financing	(2,451)	-	(39,120)	(41,571)	(5,716)
Proceeds from long-term capital financing	29	-	90,701	90,730	13,037
Proceeds from sale of capital assets	19	-	2,183	2,202	9,983
Acquisitions of capital assets	(1,090)	-	(115,276)	(116,366)	(51,641)
<b>Net Cash or Pooled Investments Provided by (Used in) Capital and Related Financing Activities</b>	<b>(6,149)</b>	<b>-</b>	<b>(96,776)</b>	<b>(102,925)</b>	<b>(37,411)</b>
<b>Cash Flows from Investing Activities:</b>					
Receipt of interest	436,288	113,123	25,814	575,225	2,710
Proceeds from sale of investment securities	(4,639,769)	-	1,155,464	(3,484,305)	2,503
Purchases of investment securities	4,637,329	-	(1,166,461)	3,470,868	(41)
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>433,848</b>	<b>113,123</b>	<b>14,817</b>	<b>561,788</b>	<b>5,172</b>
<b>Net Increase (Decrease) in Cash and Pooled Investments</b>	<b>(11,483)</b>	<b>(408,626)</b>	<b>50,504</b>	<b>(369,605)</b>	<b>28,963</b>
Cash and Pooled Investments, July 1	14,799	1,903,999	443,741	2,362,539	88,055
<b>Cash and Pooled Investments, June 30</b>	<b>\$ 3,316</b>	<b>\$ 1,495,373</b>	<b>\$ 494,245</b>	<b>\$ 1,992,934</b>	<b>\$ 117,018</b>
<b>Cash Flows from Operating Activities:</b>					
Operating Income (Loss)	\$ (1,074,020)	\$ (710,774)	\$ 110,864	\$ (1,673,930)	\$ (142,544)
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operations:</b>					
Depreciation	970	-	52,563	53,533	53,498
Provision for uncollectible accounts	5,318	2,276	4,719	12,313	5
<b>Change in Assets: Decrease (Increase)</b>					
Receivables (net of allowance)	8,913	(27,309)	(9,781)	(28,177)	2,520
Inventories	(15)	-	(1,563)	(1,578)	539
Prepaid expenses	8	-	(1,263)	(1,255)	112
<b>Change in Liabilities: Increase (Decrease)</b>					
Payables	615,804	(9,866)	37,815	643,753	131,613
<b>Net Cash or Cash Equivalents Provided by (Used in) Operating Activities</b>	<b>\$ (443,022)</b>	<b>\$ (745,673)</b>	<b>\$ 193,354</b>	<b>\$ (995,341)</b>	<b>\$ 45,743</b>

The notes to the financial statements are an integral part of this statement.

## PROPRIETARY FUNDS

### Statement of Cash Flows

Concluded

For the Fiscal Year Ended June 30, 2002

(expressed in thousands)

	Business Type Activities Enterprise Funds			Total	Governmental Activities
	Workers' Compensation	Unemployment Compensation	Nonmajor Enterprise Funds		Internal Service Funds
<b>Noncash Investing, Capital and Financing Activities:</b>					
Contributions of capital assets	\$ -	\$ -	\$ -	\$ -	\$ 3,488
Noncash portion of prior period adjustments	-	-	(32,116)	(32,116)	(32,534)
Amortization of long-term lotto prize liability	-	-	37,001	37,001	-
Increase (decrease) in fair value of investments	(932)	(329)	38,976	37,715	100
Refunding bonds issued	-	-	32,260	32,260	-
Refunded bonds redeemed	-	-	(31,590)	(31,590)	-
Net change in deferred gain on refunding activity	-	-	(490)	(490)	-
Accretion of interest on zero coupon bonds	-	-	2,858	2,858	-

The notes to the financial statements are an integral part of this statement.



## FIDUCIARY FUNDS

### Statement of Fiduciary Net Assets

June 30, 2002

(expressed in thousands)

	Private-Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans	Agency Funds
<b>Assets:</b>				
Cash and pooled investments	\$ 72,602	\$ 4,442,148	\$ 32,952	\$ 142,629
Investments	392	919,117	-	1,519
Other receivables (net of allowance)	298,916	105,753	209,915	53,845
Due from other funds	12,652	-	7,725	518,774
Due from other governments	2,261	-	22,969	25,868
Prepaid expenses	8	-	-	-
<b>Total Current Assets</b>	<b>386,831</b>	<b>5,467,018</b>	<b>273,561</b>	<b>742,635</b>
<b>Noncurrent Assets:</b>				
Investments, noncurrent	28,285	683,155	44,202,839	21,363
Other noncurrent assets	146	-	-	75,139
Capital Assets:				
Land	776	-	-	-
Buildings	7,949	-	-	-
Furnishings and equipment	7,730	-	-	-
Accumulated depreciation	(7,917)	-	-	-
Construction in progress	2,267	-	-	-
<b>Total Noncurrent Assets</b>	<b>39,236</b>	<b>683,155</b>	<b>44,202,839</b>	<b>96,502</b>
<b>Total Assets</b>	<b>\$ 426,067</b>	<b>\$ 6,150,173</b>	<b>\$ 44,476,400</b>	<b>\$ 839,137</b>
<b>Liabilities:</b>				
Accounts payable	\$ 1,225	\$ -	\$ -	\$ 8,504
Contracts and retainages payable	3	-	-	15,771
Accrued liabilities	17,316	51,549	65,812	290,769
Obligations under security lending agreements	211	683,156	3,041,737	15,052
Due to other funds	2,177	53	10,159	37,309
Due to other governments	161	-	-	391,223
Deferred revenues	179,856	-	-	-
Other long-term liabilities	22,705	-	-	80,509
<b>Total Liabilities</b>	<b>223,654</b>	<b>734,758</b>	<b>3,117,708</b>	<b>\$ 839,137</b>
<b>Net Assets:</b>				
Net assets held in trust for:				
Pension benefits	-	-	40,005,772	
Deferred compensation participants	-	-	1,352,920	
Local government pool participants	-	5,415,415	-	
Individuals, organizations & other governments	202,413	-	-	
<b>Total Net Assets</b>	<b>\$ 202,413</b>	<b>\$ 5,415,415</b>	<b>\$ 41,358,692</b>	

The notes to the financial statements are an integral part of this statement.

## FIDUCIARY FUNDS

### Statement of Changes in Fiduciary Net Assets

For the Fiscal Year Ended June 30, 2002

(expressed in thousands)

	Private- Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans
<b>Additions:</b>			
Contributions:			
Employers	\$ -	\$ -	\$ 262,314
Members	-	-	409,882
State	-	-	25,071
Pool participants	-	12,182,766	119,078
Total Contributions	-	12,182,766	816,345
Investment Income:			
Net appreciation (depreciation) in fair value	-	-	(4,077,559)
Interest and dividends	24,626	142,706	1,177,984
Less: Investment expenses	-	-	(93,139)
Net Investment Income	24,626	142,706	(2,992,714)
Transfers from other pension plans	-	-	49,749
Other additions:			
Charges for services	41,152	-	12,062
Federal grants-in-aid	161,602	-	-
Other contracts, grants and miscellaneous	119,660	-	1,014
Total other additions	322,414	-	13,076
<b>Total Additions</b>	<b>347,040</b>	<b>12,325,472</b>	<b>(2,113,544)</b>
<b>Deductions:</b>			
Pension benefits	-	-	1,763,046
Pension refunds	-	-	97,475
Transfers to other pension plans	-	-	49,749
Administrative expenses	28,042	6,982	16,505
Distributions to pool participants	-	11,893,642	77,602
Payments to or on behalf of individuals, organizations and other governments in accordance with trust agreements	306,736	-	-
<b>Total Deductions</b>	<b>334,778</b>	<b>11,900,624</b>	<b>2,004,377</b>
<b>Net Increase (Decrease) Before Transfers</b>	<b>12,262</b>	<b>424,848</b>	<b>(4,117,921)</b>
Transfers in	50,620	-	-
Transfers (out)	(62,981)	-	-
<b>Net Increase (Decrease)</b>	<b>(99)</b>	<b>424,848</b>	<b>(4,117,921)</b>
<b>Net Assets - Beginning, as restated</b>	<b>202,512</b>	<b>4,990,567</b>	<b>45,476,613</b>
<b>Net Assets - Ending</b>	<b>\$ 202,413</b>	<b>\$ 5,415,415</b>	<b>\$ 41,358,692</b>

The notes to the financial statements are an integral part of this statement.

## COMPONENT UNITS

### Statement of Fund Net Assets

June 30, 2002

(expressed in thousands)

	Public Stadium	Nonmajor Component Units	Totals
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and pooled investments	\$ 7,567	\$ 2,380	\$ 9,947
Investments	-	33,306	33,306
Other receivables (net of allowance)	143	2,858	3,001
Prepaid expenses	48	218	266
<b>Total Current Assets</b>	<b>7,758</b>	<b>38,762</b>	<b>46,520</b>
<b>Noncurrent Assets:</b>			
Investments, noncurrent	14,939	1,277	16,216
Other noncurrent assets	-	15,222	15,222
<b>Capital Assets:</b>			
Land	34,677	-	34,677
Buildings	73,726	-	73,726
Furnishings and equipment	3,086	1,041	4,127
Accumulated depreciation	(6,957)	(662)	(7,619)
Construction in Process	385,358	-	385,358
<b>Total Noncurrent Assets</b>	<b>504,829</b>	<b>16,878</b>	<b>521,707</b>
<b>Total Assets</b>	<b>\$ 512,587</b>	<b>\$ 55,640</b>	<b>\$ 568,227</b>
<b>Liabilities</b>			
<b>Current Liabilities:</b>			
Accounts payable	\$ 171	\$ 1,182	\$ 1,353
Contracts and retainages payable	19,190	-	19,190
Accrued liabilities	83	63	146
Deferred revenues	-	191	191
<b>Total Current Liabilities</b>	<b>19,444</b>	<b>1,436</b>	<b>20,880</b>
<b>Non-Current Liabilities:</b>			
Other long-term liabilities	35,034	4,039	39,073
<b>Total Non-Current Liabilities</b>	<b>35,034</b>	<b>4,039</b>	<b>39,073</b>
<b>Total Liabilities</b>	<b>54,478</b>	<b>5,475</b>	<b>59,953</b>
<b>Net Assets:</b>			
Invested in capital assets, net of related debt	435,666	379	436,045
Restricted for deferred sales tax	14,939	-	14,939
Unrestricted	7,504	49,786	57,290
<b>Total Net (Deficit) Assets</b>	<b>\$ 458,109</b>	<b>\$ 50,165</b>	<b>\$ 508,274</b>

The notes to the financial statements are an integral part of this statement.

## COMPONENT UNITS

### Statement of Revenues, Expenses, and Changes in Fund Net Assets

For the Fiscal Year Ended June 30, 2002  
(expressed in thousands)

	Public Stadium	Nonmajor Component Units	Total
<b>Operating Revenues:</b>			
Charges for services	\$ 450	\$ 9,604	\$ 10,054
<b>Total Operating Revenues</b>	<b>450</b>	<b>9,604</b>	<b>10,054</b>
<b>Operating Expenses:</b>			
Salaries and wages	647	3,309	3,956
Employee benefits	90	804	894
Personal services	-	428	428
Goods and services	621	2,804	3,425
Travel	-	16	16
Depreciation and amortization	2,374	134	2,508
Miscellaneous expenses	-	84	84
<b>Total Operating Expenses</b>	<b>3,732</b>	<b>7,579</b>	<b>11,311</b>
<b>Operating Income (Loss)</b>	<b>(3,282)</b>	<b>2,025</b>	<b>(1,257)</b>
<b>Nonoperating Revenues (Expenses):</b>			
Earnings (loss) on investments	1,340	2,581	3,921
Sales tax	1,264	-	1,264
Interest expense	-	(451)	(451)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>2,604</b>	<b>2,130</b>	<b>4,734</b>
<b>Net Income (Loss) before Contributions</b>	<b>(678)</b>	<b>4,155</b>	<b>3,477</b>
Contributions of capital	55,260	37	55,297
<b>Change in Net Assets</b>	<b>54,582</b>	<b>4,192</b>	<b>58,774</b>
<b>Net Assets - Beginning, as restated</b>	<b>403,527</b>	<b>45,973</b>	<b>449,500</b>
<b>Net Assets - Ending</b>	<b>\$ 458,109</b>	<b>\$ 50,165</b>	<b>\$ 508,274</b>

The notes to the financial statements are an integral part of this statement.

## COMPONENT UNITS

### Statement of Cash Flows

For the Fiscal Year Ended June 30, 2002  
(expressed in thousands)

	Public Stadium	Nonmajor Component Units	Total
<b>Cash Flows from Operating Activities:</b>			
Receipts from customers	\$ 329	\$ 8,948	\$ 9,277
Payments to suppliers	(601)	(4,044)	(4,645)
Payments to employees	(752)	(4,116)	(4,868)
<b>Net Cash and Pooled Investments Provided (Used) in Operating Activities</b>	<b>(1,024)</b>	<b>788</b>	<b>(236)</b>
<b>Cash Flows from Noncapital Financing Activities:</b>			
Taxes and license fees collected	1,264	-	1,264
Other noncapital financing activity	-	(2,004)	(2,004)
<b>Net Cash and Pooled Investments Provided (Used) in Noncapital Financing Activities</b>	<b>1,264</b>	<b>(2,004)</b>	<b>(740)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Interest paid	10	(451)	(441)
Capital contributions	55,260	37	55,297
Proceeds from long-term capital financing	3,743	-	3,743
Acquisitions of capital assets	(126,789)	(513)	(127,302)
<b>Net Cash and Pooled Investments Provided (Used) in Capital and Related Financing Activities</b>	<b>(67,776)</b>	<b>(927)</b>	<b>(68,703)</b>
<b>Cash Flows from Investing Activities:</b>			
Investment income	1,340	2,481	3,821
Proceeds from sale of investment securities	-	463	463
Purchases of investment securities	(1,353)	(3,010)	(4,363)
<b>Net Cash Provided (Used) in Investing Activities</b>	<b>(13)</b>	<b>(66)</b>	<b>(79)</b>
<b>Net Increase (Decrease) in Cash and Pooled Investments</b>	<b>(67,549)</b>	<b>(2,209)</b>	<b>(69,758)</b>
Cash and Pooled Investments, July 1	75,116	4,589	79,705
<b>Cash and Pooled Investments, June 30</b>	<b>\$ 7,567</b>	<b>\$ 2,380</b>	<b>\$ 9,947</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating Income (Loss)	\$ ( 3,282)	\$ 2,025	\$ ( 1,257)
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operations:</b>			
Depreciation	2,374	134	2,508
<b>Change in Assets: Decrease (Increase)</b>			
Receivables (net of allowance)	(121)	(611)	(732)
Prepaid expenses	(30)	(189)	(219)
<b>Change in Liabilities: Increase (Decrease)</b>			
Payables	35	(571)	(536)
<b>Net Cash or Cash Equivalents Provided by (Used in) Operating Activities</b>	<b>\$ ( 1,024)</b>	<b>\$ 788</b>	<b>\$ ( 236)</b>
<b>Noncash investing, capital, and financing activities:</b>			
Noncash activity included increase (decrease) in fair value of investments.		\$ ( 25)	\$ ( 25)

The notes to the financial statements are an integral part of this statement.

## Notes to the Financial Statements

For the Fiscal Year Ended June 30, 2002

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